

\_\_\_ Action  
\_\_\_ Discussion  
X Information

**SUBJECT: FEDERAL LEGISLATIVE UPDATE**

**STAFF CONTACT:** Joyce Nichols, City Manager's Office, 452-4225

**POLICY ISSUE:** Congress, the Administration, and federal agencies each year approve actions that impact the City in a broad range of areas. Staff may recommend, and/or Council may wish to direct, communication to the City's Congressional delegation on a range of issues throughout the year.

**DIRECTION NEEDED FROM COUNCIL:** This briefing provides information on the current activities of Congress. The information comes from a report provided by federal lobbyist Vicki Cram.

**BACKGROUND:**

***Government Shutdown/Appropriations/Budget***

The 16-day government shutdown ended in the wee hours of Thursday, October 17 when President Barack Obama signed H.R. 2775 (P.L. 113-46) after it was approved by the Senate (81-18) and the House (285-144).

The legislation encompassed an agreement reached October 16, between Senate Majority Leader Harry Reid (D-NV) and Minority Leader Mitch McConnell (R-KY) following a final failed effort by House Republican leaders to present a package for which they could secure sufficient caucus votes to move forward. In part, the continuing resolution:

- Funds the federal government at current sequester levels through January 15, 2014;
- Suspends the nation's debt limit through February 4, 2014 (although this may be extended for a short period of time through accounting techniques known as "extraordinary measures" implemented by the Treasury Department to extend previous debt ceiling deadlines);
- Provides retroactive pay to approximately 800,000 federal workers who were furloughed during the shutdown;
- Requires income verification for individuals receiving health insurance subsidies under the Affordable Care Act (P.L. 111-148, P.L. 111-152);
- Reimburses states and other grantees for costs incurred to maintain programs usually funded through federal appropriations;
- Extends the formula used by the Department of Health and Human Services (HHS) to determine distribution of funds through the Low Income Heating Assistance Program (LIHEAP);
- Allows the District of Columbia to spend its local revenue through the end of FY 2014;

- Extends the authorization of Temporary Assistance for Needy Families (TANF), Child Care Entitlement and other related programs;
- Extends the War Risk Insurance program;
- Allows HHS to transfer funds to continue the Biomedical Advanced Research and Development Agency; and
- Provides flexibility and funding to maintain staffing for Customs and Border Patrol, the Federal Aviation Administration; and to reduce the backlog of veterans' disability claims.

### ***Budget Conference Committee***

As part of the agreement, the House and Senate also appointed a Congressional Budget Conference Committee to reconcile the FY 2014 budget resolutions enacted by each chamber earlier this year (H. Con. Res. 25 / S. Con. Res. 8) with a (non-binding) report deadline of December 13.

The 29-member budget conference committee – the first such committee in four years – includes experienced negotiators with budget and tax expertise. The committee is faced with the difficult task of creating a framework to begin to resolve the significant fiscal differences which have monopolized – and stalled – the federal agenda for much of the last three years.

The first hurdle will be to determine a top-line FY 2014 discretionary spending level. The Senate provided \$1.058 trillion in its budget resolution, whereas the House provided \$967 billion. While the funding difference is only \$91 billion, the policy differences on how to allocate funds are far greater in scale. Talks will then proceed to entitlements, taxes, sequestration, revenue, and spending cuts.

House representatives on the committee serve on one or more of the Budget, Ways and Means, and Appropriations Committees, while the Senate appointees all serve on the Budget Committee and a number also serve on the Finance Committee.

Committee members are as follows:

- Chairman Paul Ryan (R-OH): House Budget Committee Chairman; Ways and Means Committee member
- Vice Chair Patty Murray (D-WA): Senate Budget Committee Chairwoman; Appropriations Committee member; Joint Deficit Reduction (“Super”) Committee member

### **Democratic Senators**

- Ron Wyden (D-OR): Senate Finance Committee member
- Bill Nelson (D-FL): Senate Finance Committee member
- Debbie Stabenow (D-MI): Senate Finance Committee member
- Bernie Sanders (I-VT): Joint Economic Committee member
- Sheldon Whitehouse (D-RI)
- Mark Warner (D-VA): Joint Economic Committee member
- Jeff Merkley (D-OR): Appropriations Committee member
- Chris Coons (D-DE)
- Tammy Baldwin (D-WI)
- Tim Kaine (D-VA)
- Angus King (I-ME)

### Republican Senators

- Jeff Sessions (R-AL): Senate Budget Committee Ranking Member
- Chuck Grassley (R-IA): Senate Finance Committee member; Joint Taxation Committee member
- Mike Enzi (R-WY): Senate Finance Committee member
- Mike Crapo (R-ID): Senate Finance Committee member
- Lindsey Graham (R-SC): Appropriations Committee member
- Rob Portman (R-OH): Former OMB Director; Senate Finance Committee member; Joint Deficit Reduction ("Super") Committee member
- Pat Toomey (R-PA): Senate Finance Committee member; Joint Economic Committee member; Joint Deficit Reduction ("Super") Committee member
- Ron Johnson (R-WI)
- Kelly Ayotte (R-NH)
- Roger Wicker (R-MS)

### House Republican Representatives

- Tom Price (R-GA): House Budget Committee Vice Chair; Ways and Means Committee member; former chair of the Republican Study Committee
- Tom Cole (R-OK): House Appropriations Committee member; Budget Committee member
- Diane Black (R-TN): House Budget Committee member; Ways and Means Committee member

### House Democratic Representatives

- Chris Van Hollen (D-MD): House Budget Committee Ranking Member; Joint Deficit Reduction ("Super") Committee member
- James Clyburn (D-SC): House Assistant Democratic Leader; Joint Deficit Reduction ("Super") Committee member; former appropriator
- Nita Lowey (D-NY): House Appropriations Committee Ranking Member

Committee leaders participated in a breakfast meeting last Thursday, October 17 to discuss the framework of the committee. The entire committee will convene next week, the week of October 28. Voting records and public statements of the committee members reflect their hardline positions on either end of the fiscal spectrum. This makes it difficult to envision a "grand bargain" compromise deficit reduction proposal with less than two months before the December 13 deadline, though the committee could focus on smaller goals such as finding common ground on mitigating the sequester.

### ***Homeland Security***

President Barack Obama has nominated former U.S. Department of Defense General Counsel Jeh Johnson to serve as the next secretary of the Department of Homeland Security (DHS). The position has been empty since former Secretary Janet Napolitano stepped down on September 6, and the vacancy has drawn criticism from members of Congress. Johnson has garnered respect throughout the Administration and Congress, and both sides of the aisle expect him to be confirmed. However, as a principal member of President Obama's counterterrorism team, he is likely to face tough questions on targeted drone killings, the detention of terror suspects, and digital surveillance.

### ***Water Resources Development Act***

On Wednesday, the House will vote on H.R. 3080, the Water Resources Reform and Development Act of 2013 (WRRDA) which reforms the U.S. Army Corps of Engineers process for dredging, flood control and environmental restoration projects. The House was expected to take up the legislation last week but floor consideration was delayed due to the government shutdown. Unlike the Senate WRDA bill which includes the Water Infrastructure Finance Innovation Act (WIFIA), the House Transportation and Infrastructure Committee will take up WIFIA legislation separately. While a draft WIFIA bill has been circulating on the Hill, it has yet to be introduced officially.

**ALTERNATIVES:** N/A

**RECOMMENDATION:** N/A

**ATTACHMENTS:** N/A